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Gov. Minner's Budget Highlights Include Funding for Math Specialists, Fighting Cancer, Preserving Open Space and New Economy Initiative

Gov. Minner Unveils Budget Proposal For Fiscal Year That Starts July 1

Dover – Governor Ruth Ann Minner released her recommended Fiscal Year 2008 budget today, which holds spending growth to less than 5 percent while still funding her key initiatives in education, health care, economic development and the environment.

"I am proud of our efforts to keep Delaware in sound financial shape and am pleased to again be presenting a responsible budget that will finance critical priorities and fund core services, while keeping growth at under 5 percent for next year," Gov. Minner said. "I am looking forward to discussing my proposed budget with members of the Joint Finance Committee in the weeks ahead and working with the entire General Assembly to enact a responsive and responsible financial plan for Fiscal 2008."

The Governor's proposed general fund operating budget is \$3.25 billion, an increase of 4.73 percent over last year's budget. Her proposed capital budget, or bond bill, is \$554.8 million, with \$224.6 million appropriated for public education, higher education and agency projects and \$330.2 million in transportation funding.

The following are the highlights of Gov. Minner's recommended budget:

Education:

- \$2.7 million to fund a program to put math specialists in every middle school in the state (\$700,000 of that will add the remaining 10 math specialists to complete the program this year).
- \$13.6 million to fully implement full-day kindergarten in 11 school districts and eight charter schools.
- \$2.4 million to fund the Student Excellence Equals Degree (SEED) scholarship that provides free college tuition to Delaware students.
- \$3.9 million for public education efforts that support or are consistent with the Vision 2015 education plan.
- \$250,000 for fitness-grams designed to improve the health of students in the public school system.

Health

- \$16.2 million to continue funding recommendations of the Delaware Advisory Council on Cancer Incidence and Mortality.
- \$5 million to fund initiatives for the uninsured and underinsured (to come from a Healthy Life Fund that would result from a 45-cent-per-pack increase in the cigarette tax).
- \$1.1 million to expand the Delaware Healthy Children Program or CHIP (from Healthy Life Fund).
- \$1 million to implement recommendations of the Health Disparities Task Force (from Healthy Life Fund).
- \$4.6 million to implement recommendations of the Infant Mortality Task Force (this includes an additional \$1.9 million over the current fiscal year).

Economic Development

- \$5 million for year four of the Governor's New Economy Initiative which will fund a new initiative to promote a Pre-Venture Fund to provide seed money for fast-growing small businesses in technology fields.
- \$12 million for the strategic fund.
- \$1 million for the development of new vaccines at the Fraunhofer Center for Molecular Biotechnology (year two of a five year program).
- \$600,000 for crop insurance.

Environment/Livable Delaware

- \$20 million to fund the preservation of farmland and open space.
- \$1 million for the preservation of forestland.
- \$5 million for beach preservation.
- \$1 million for a dam emergency planning fund.

Legislative/Safety/Youth

- \$9.9 million in operating funds for the first year of the state's Veterans Home.
- \$465,200 to fund additional troopers for the Delaware State Police, bringing the total ranks to 661.
- \$4 million for juvenile justice reform.

The Governor's recommended budget plan also addresses the estimated \$1.5 billion shortfall in the Transportation Trust Fund, a structural problem that requires long-term solutions as opposed to a short-term fix. Included in the Governor's plan to address the issue is a revenue enhancement package that includes increases in user fees, some of which have been the same for more than 40 years.

Gov. Minner also highlighted a number of "door opener" items for much needed services and programs the state needs to properly take care of its residents. Among those are a \$38.8 million increase in Medicaid, an additional \$9.6 million in public school enrollment and \$40 million the state is dedicating to Other Post Employment Benefits (OPEB) as part of the Governor's comprehensive plan to meet the state's obligation on that issue. The Governor wants to again reward state employees for their service by proposing a 2 percent salary increase (plus steps for educators).

The budget and bond bill proposals now go to the General Assembly for consideration and passage by June 30.